

# **GOOD DISCLOSURE: IT'S IN THE PROCESS**

**Counsel's Perspective**

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# **Financing Participants and their Roles**

- **Role of Financing Participants**
  - **Issuer**
  - **Financial Advisor**
  - **Accountant/Appraisers and Others**
  - **Bond Counsel**
  - **Disclosure Counsel, increasingly important**
  - **Issuer's Counsel**
  - **Underwriter's Counsel**

# **Role of Issuer**

- **Assemble economic and demographic data**
- **Provide audited financials**
  - **Management discussion**
- **Assure that relevant departments review and sign-off**
- **Tell the working group what's going on in town**
- **Read the document!**

# Drafting the Official Statement

- **Balance sales with disclosure**
- **What are the pieces?**
- **INTRODUCTION**
  - Summarize Transaction
  - Describe Credit
  - Cross References
- **THE BONDS**
  - Terms, maturity, redemption circumstances
- **SECURITY FOR THE BONDS**
  - Describe the credit in detail
  - Point out risks
- **THE PROJECT**
  - Project material information
- **LITIGATION**
- **RISK FACTORS**
- **APPENDIX A**
  - Economics, Demographics, Financials, Post-Retirement Issues
  - Make relevant to particular transaction

# **Due Diligence**

- **What does this mean?**
- **Who is responsible?**
- **Role of Underwriter and Underwriter's Counsel**

# **Continuing Disclosure**

- **What's required?**
- **Who does it – Issuer, Consultant, Disclosure Counsel?**

# **Sources of Guidance**

- **CDIAC Debt Issuance Primer**
- **GFOA Guidelines**
- **NFMA – Municipal analyst’s “wish list”**
- **SEC Announcements**